



# Department of Justice

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Southern District of Ohio

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## **OWNER OF CHEEKS GENTLEMEN'S CLUB INDICTED ON TAX CHARGES**

*Ex-wife charged with making false statements to investigators*

DAYTON – A federal grand jury here returned a 28-count indictment against Elbert “Lee” Hale, of Washington Township charging him with filing false corporate income tax returns on behalf of his business from 2002 – 2004, and 23 counts of structuring financial transactions. Hale’s ex-wife, Joyce A. Hale, of Dayton, was also charged with two counts of making false statements to federal investigators.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio and Jose Gonzalez, Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office, announced the indictment returned late yesterday.

Hale owns and operates “Cheeks Gentlemen’s Club” located at 906 Watertower Lane in West Carrollton. The indictment alleges that he intentionally understated business income in the income tax returns he filed for 2002 through 2004. The indictment also alleges that on 23 occasions between July 2006 and January 2008, he deposited more than \$10,000 cash into company accounts, but broke the deposits into smaller amounts in order to evade federal cash transaction reporting requirements.

Joyce Hale is charged with telling investigators in May, 2006 that she did not know about the club’s financial information. Making false statements is punishable by up to five years imprisonment on each count.

Each of the three counts of filing false corporate income tax returns is punishable by three years imprisonment, a \$100,000 fine, restitution of unpaid taxes along with interest and penalties to be calculated by the IRS. Structuring carries a maximum sentence of five years imprisonment on each count.

The pair will be summoned to appear in United States District Court for an initial appearance on the charges on a date and time set by the court.

“An indictment is merely an accusation,” Lockhart said. “All defendants should be presumed innocent until and unless convicted in a court of law.” Lockhart also commended the investigative efforts of special agents assigned to the Internal Revenue Service Criminal Investigation Division, and Assistant U.S. Attorney Dwight Keller, who is prosecuting the case.

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